

**San Francisco
Ethics Commission**



25 Van Ness Avenue, Suite 220
San Francisco CA 94102
Phone 252-3100 Fax 252-3112

Report on San Francisco's Limited Public Financing Program

November 2, 2010 Board of Supervisors Election

San Francisco Ethics Commission

Benedict Y. Hur, Chairperson

Jamienne S. Studley, Vice-Chairperson

Beverly Hayon, Commissioner

Charles L. Ward, Commissioner

John St. Croix, Executive Director

Prepared by: Shaista Shaikh

Report of the Board of Supervisors Public Financing Program of 2010

This report is intended to satisfy the requirements set forth in Section 1.156 of the San Francisco Campaign and Governmental Conduct Code, which requires the Ethics Commission to produce a report following the November 2010 election stating:

- The amount of public funds disbursed to campaigns in the election;
- The number of candidates who received public funds;
- The number of nonparticipating candidates;
- The amount of qualified campaign expenditures made by all candidates in that election;
- The amount of independent expenditures made in connection with the election; and
- Other relevant information deemed useful by the Ethics Commission.

The data presented is based on information reported in campaign disclosure statements covering through December 31, 2010 and from the Commission's record of public funds disbursements.

I. Introduction

San Francisco's public financing program for candidates for the Board of Supervisors was adopted through a ballot measure (Proposition O) in November 2000. The San Francisco Ethics Commission ("Commission") administered the public financing program in elections for candidates for the Board of Supervisors in 2002, 2004, 2006, 2008 and 2010. In 2006, the program was extended to include Mayoral candidates as well.

With respect to the disbursement formula and expenditure ceilings, the program as it was implemented in the 2010 and 2008 supervisorial elections was significantly different from the program that was administered in 2002, 2004, and 2006.¹ The public financing program provides candidates running for the Board of Supervisors or Mayor with partial public funding to fund their campaigns. The Commission developed the program with the intent that it would provide candidates a neutral source of additional funding, encourage more candidates to run for office, allow candidates to spend more time discussing the issues and spend less time fundraising, and encourage candidates to limit their spending.

¹ See Appendix for a complete overview of the requirements of the public financing program as it was implemented in 2010.

II. Supervisory Candidates on the November 2, 2010 Ballot and the Amount of Public Funds Disbursed in the November 2, 2010 Election

A. Candidates Who Sought Office, Whether They Participated in the Public Financing Program and Whether They Were Elected to Office

There are eleven supervisorial districts in San Francisco. In 2010, supervisorial elections were held in the five even-numbered districts in San Francisco: Districts 2, 4, 6, 8 and 10. A total of 46 candidates in five districts appeared on the November 2010 ballot and 22 of these candidates qualified to receive public funds.

The 22 participants of the public financing program ran for office from four districts: Districts 2, 6, 8, and 10. The race in District 4 did not involve a participating candidate; only the incumbent ran for office in that race. Of the five members of the Board of Supervisors who were elected to office in the November 2, 2010 election, three, or 60 percent of those elected, were participating candidates.

Table 1 below lists candidates for the Board of Supervisors whose names appeared on the November 2, 2010 ballot, whether they participated in the public financing program, and whether the candidates were elected to office.

Table 1: List of 2010 Supervisorial Candidates, Whether They Participated in the Public Financing Program, and Whether They Were Elected to Office²

Candidate	District	Participation Status (P=participating candidate; NP=non-participating candidate)	Whether candidate was elected or defeated
Kat Anderson	2	P	Defeated
Barbara Berwick*	2	NP	Defeated
Mark Farrell	2	NP	Elected
Vilma Guinto Peoro*	2	NP	Defeated
Janet Reilly	2	NP	Defeated
Abraham Simmons	2	P	Defeated
Carmen Chu	4	NP	Elected
Matthew D. Ashe*	6	NP	Defeated
H. Brown*	6	NP	Defeated
Dean Clark	6	NP	Defeated
George Davis*	6	NP	Defeated
Matt Drake	6	NP	Defeated
Glendon "Anna Conda" Hyde	6	NP	Defeated
James Keys	6	P	Defeated

² An asterisk (“*”) indicates candidates who were not required to file electronic campaign statements (i.e., candidates who received less than \$5,000 in contributions). Staff believes that the electronic reports capture the information related to contributions and expenditures that is necessary to prepare this report. The cumulative amount of activity by any candidate who filed either Form 470 or 460 in paper form only should not exceed \$4,999.99, which is an amount staff believes will not skew the general information provided in this report. Accordingly, staff did not look to the content of the paper filings to prepare this report. Staff used the same process in gathering data for the reports on the 2002, 2004, 2006 and 2008 public financing programs, thus allowing for a more direct comparison among the 2002, 2004, 2006 and 2008 data.

Jane Kim	6	P	Elected
Jim Meko	6	P	Defeated
Nate Payne	6	NP	Defeated
Theresa Sparks	6	P	Defeated
George Vazhappally*	6	NP	Defeated
Debra Walker	6	P	Defeated
Elaine Zamora	6	P	Defeated
Bill Hemenger	8	P	Defeated
Rafael Mandelman	8	P	Defeated
Rebecca Prozan	8	P	Defeated
Scott Wiener	8	P	Elected
James M. Calloway*	10	NP	Defeated
Malia Cohen	10	P	Elected
Ed Donaldson	10	NP	Defeated
Teresa Duque	10	P	Defeated
Kristine Enea	10	P	Defeated
MJ Marie Franklin	10	NP	Defeated
Rodney Hampton, Jr.*	10	NP	Defeated
Chris Jackson	10	P	Defeated
Ellsworth "Ell" Jennison*	10	NP	Defeated
Nyese Joshua	10	NP	Defeated
Tony Kelly	10	P	Defeated
DeWitt M. Lacy	10	P	Defeated
Geoffrea Morris*	10	NP	Defeated
Steve Moss	10	P	Defeated
Jackie Norman	10	NP	Defeated
Ashley Hawley Rhodes*	10	NP	Defeated
Diane Wesley Smith	10	NP	Defeated
Eric Smith	10	P	Defeated
Lynette Sweet	10	P	Defeated
Marlene Tran	10	P	Defeated
Stephen Weber	10	NP	Defeated
Total			22 participating candidates; 24 non-participating candidates

B. The Amount of Public Funds Disbursed in 2010

A total of \$6,452,341 million in the Election Campaign Fund was available for disbursement. On the 59th day before the election the Executive Director was required to calculate the Per Candidate Available Disbursement Limit. Prior to this date, eligible candidates could receive up to \$89,000. The Per Candidate Available Disbursement Limit was initially determined to be \$248,166. The final Per Candidate Available Disbursement Limit was \$293,288. The 22 eligible candidates received a total of \$1,477,713 in public funds, an average of \$67,169 per candidate. Because the individual expenditure ceiling was raised for every publicly-financed candidate and the Per Candidate Available Disbursement Limit was greater than \$89,000, candidates were eligible to receive more than \$89,000 based on the amount of matching contributions raised; four of the 22 publicly-financed candidates received more than \$89,000.

Table 2 below provides a breakdown of the amount of public funds disbursed to each qualifying candidate. It also shows the amount of total funds (public plus private) that was available to all candidates, participating and non-participating.

Table 2: Amount of Public Funds Disbursed as Compared to Total Funds Available to Candidates³

Candidate	District	Amount of Public Funds Disbursed to Participating Candidates	Total Funds Available to Candidates (private funds plus public funds, if any)	Public Funds as a Percentage of Total Funds
Kat Anderson	2	\$53,925	\$81,950	66%
Mark Farrell	2		\$265,198	n/a
Janet Reilly	2		\$363,865	n/a
Abraham Simmons	2	\$56,056	\$92,701	60%
District 2 Total		\$109,981	\$803,714	14%
Carmen Chu	4		\$178,097	n/a
District 4 Total			\$178,097	0%
Dean Clark	6		\$6,178	n/a
Matt Drake	6		\$14,473	n/a
Glendon "Anna Conda" Hyde	6		\$17,803	n/a
James Keys	6	\$40,025	\$56,873	70%
Jane Kim	6	\$90,817	\$217,355	42%
Jim Meko	6	\$44,164	\$61,749	72%
Nate Payne	6		\$3,622	n/a
Theresa Sparks	6	\$85,904	\$171,506	50%
Debra Walker	6	\$76,761	\$150,559	51%
Elaine Zamora	6	\$50,999	\$84,907	60%
District 6 Total		\$388,670	\$785,025	50%
Bill Hemenger	8	\$51,749	\$74,957	69%
Rafael Mandelman	8	\$104,764	\$215,524	49%
Rebecca Prozan	8	\$121,406	\$266,024	46%
Scott Wiener	8	\$140,572	\$312,138	45%
District 8 Total		\$418,491	\$868,643	48%
Malia Cohen	10	\$79,666	\$196,645	41%
Ed Donaldson	10		\$6,165	n/a
Teresa Duque	10	\$56,790	\$92,009	62%
Kristine Enea	10	\$48,590	\$74,185	65%
MJ Marie Franklin	10		\$1,643	n/a
Chris Jackson	10	\$53,745	\$75,405	71%
Nyese Joshua	10		\$1,848	n/a
Tony Kelly	10	\$60,451	\$102,665	59%
DeWitt M. Lacy	10	\$42,682	\$69,247	62%
Steve Moss	10	\$67,095	\$129,389	52%
Jackie Norman	10		\$11,117	n/a
Diane Wesley Smith	10		\$17,079	n/a
Eric Smith	10	\$48,656	\$75,185	65%
Lynette Sweet	10	\$57,439	\$127,388	45%
Marlene Tran	10	\$45,456	\$61,677	74%
Stephen Weber	10		\$11,898	n/a
District 10 Total		\$560,570	\$1,053,545	53%
Total		\$1,477,713	\$3,689,024	40%

³ Total funds in this table include total monetary contributions, loans, in-kind contributions, public funds and candidates' personal funds used for campaign purposes.

Public grants represented 40 percent of the total funds (public and private) that were available to candidates who received public funding.

III. Candidate Spending

In 2010, candidate spending totaled \$3,581,175. This figure does not include spending by non-candidates. Table 3 below lists the amounts spent by candidates in 2010. The table also shows the highest level of a candidate's Individual Expenditure Ceiling, if the candidate was publicly financed. Publicly financed candidates were required to limit their expenditures to the amount of their Individual Expenditure Ceiling, which began at \$143,000 and was raised by the Ethics Commission based on the highest level of Total Supportive Funds of a publicly financed candidate's opponents plus the Total Opposition Spending against such publicly financed candidate. Expenditure data includes both paid expenditures and debt.

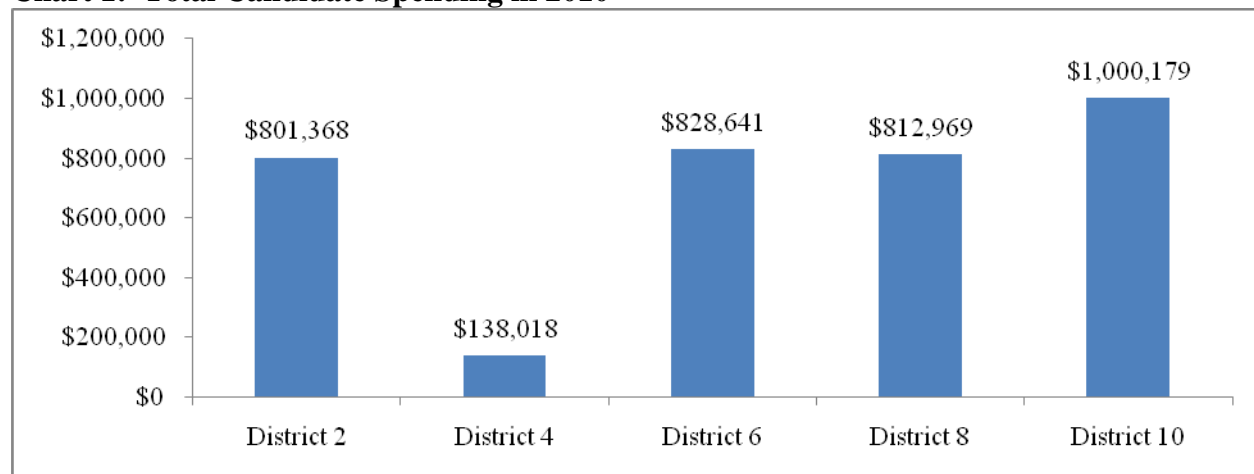
Table 3: Candidate Spending in 2010

Candidate	District	Highest Level of Candidate's Individual Expenditure Ceiling	Total Expenditures Incurred
Kat Anderson	2	\$303,000	\$81,950
Mark Farrell	2		\$260,467
Janet Reilly	2		\$365,243
Abraham Simmons	2	\$303,000	\$93,709
District 2 Total			\$801,368
Carmen Chu	4		\$138,018
District 4 Total			\$138,018
Dean Clark	6		\$5,653
Matt Drake	6		\$13,443
Glendon "Anna Conda" Hyde	6		\$15,948
James Keys	6	\$273,000	\$59,048
Jane Kim	6	\$273,000	\$249,969
Jim Meko	6	\$273,000	\$60,776
Nate Payne	6		\$3,762
Theresa Sparks	6	\$283,000	\$183,399
Debra Walker	6	\$273,000	\$149,351
Elaine Zamora	6	\$273,000	\$87,293
District 6 Total			\$828,641
Bill Hemenger	8	\$463,000	\$74,853
Rafael Mandelman	8	\$473,000	\$219,397
Rebecca Prozan	8	\$463,000	\$272,053
Scott Wiener	8	\$493,000	\$246,666
District 8 Total			\$812,969
Malia Cohen	10	\$233,000	\$172,117
Ed Donaldson	10		\$3,044
Teresa Duque	10	\$233,000	\$95,117
Kristine Enea	10	\$233,000	\$72,022
MJ Marie Franklin	10		\$1,563
Chris Jackson	10	\$233,000	\$75,067
Nyese Joshua	10		\$1,836
Tony Kelly	10	\$233,000	\$106,097

DeWitt M. Lacy	10	\$233,000	\$65,940
Steve Moss	10	\$143,000	\$124,118
Jackie Norman	10		\$8,737
Diane Wesley Smith	10		\$16,390
Eric Smith	10	\$213,000	\$75,562
Lynette Sweet	10	\$243,000	\$135,775
Marlene Tran	10	\$233,000	\$34,895
Stephen Weber	10		\$11,898
District 10 Total			\$1,000,179
Total			\$3,581,175

The chart below shows total candidate spending by district.

Chart 1: Total Candidate Spending in 2010



IV. Spending by Third Parties

In past public financing reports for programs administered in 2002, 2004 and 2006, this section was based upon FPPC Form 465 filings for independent expenditures affecting candidates. After the 2006 supervisorial election, the Campaign Finance Reform Ordinance was amended to require third parties to report independent expenditures, member communications, and electioneering communications on Form SFEC-152(a)-3. Data from Form SFEC-152(a)-3 filings was used to adjust individual expenditure ceilings in 2008. Thereafter, due to further changes in the law, in 2010, third parties were required to report independent expenditures, member communications, electioneering communications on the Ethics Commission's Third Party Disclosure Form, which included reporting that was previously required on the Form SFEC-152(a)-3.

Third party spending in the November 2010 election totaled approximately \$1.3 million (\$1,305,460, according to Third Party Disclosure Form filings; or \$1,201,294, according to FPPC Form 465 filings.)

The table below summarizes the data reported on the Third Party Disclosure Form and Form 465, divided by candidate and district.

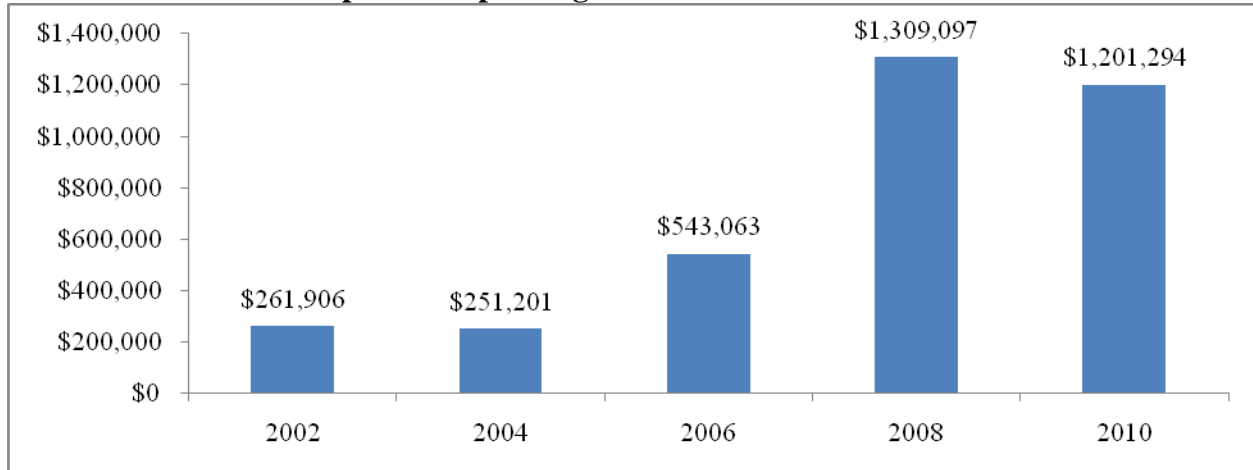
Table 4: Third Party Spending in 2010

Affected Candidate	District	SFEC Third Party Disclosure Form		FPPC Form 465	
		Spending to Support	Spending to Oppose	Spending to Support	Spending to Oppose
Mark Farrell	2	\$62,524	\$20,156	\$62,939	\$19,153
Janet Reilly	2	\$58,444	\$148,004	\$59,302	\$148,004
<i>District 2 Spending</i>		\$120,968	\$168,160	\$122,241	\$167,157
Carmen Chu	4			\$11,941	
<i>District 4 Spending</i>				\$11,941	
James Keys	6	\$232			
Jane Kim	6	\$6,454		\$6,222	
Theresa Sparks	6	\$137,975	\$18,108	\$134,086	\$12,152
Debra Walker	6	\$144,102		\$124,696	
<i>District 6 Spending</i>		\$288,763	\$18,108	\$265,004	\$12,152
Rafael Mandelman	8	\$205,461	\$10,202	\$140,363	\$10,202
Rebecca Prozan	8	\$12,037		\$22,061	
Scott Wiener	8	\$189,700	\$107,125	\$195,494	\$96,009
<i>District 8 Spending</i>		\$407,198	\$117,327	\$357,918	\$106,211
Malia Cohen	10	\$17,207		\$3,483	
Chris Jackson	10	\$9,717		\$7,476	
Tony Kelly	10	\$232			
DeWitt M. Lacy	10	\$232			
Steve Moss	10	\$129,527	\$10,295	\$135,434	
Lynette Sweet	10	\$11,335	\$6,391	\$12,277	
<i>District 10 Spending</i>		\$168,250	\$16,686	\$158,670	
<i>Total Third Party Spending</i>		\$985,179	\$320,281	\$915,774	\$285,520

In some cases, there are substantial differences in the values reported, with greater reporting occurring on either of the two forms. Possible causes for the discrepancy include the different thresholds for using the two forms, the different types of communications reported on each form, and unfamiliarity with filing requirements. Furthermore, certain Form 465 filers may have made expenditures within a district that exceeded \$1,000 but were below the \$5,000 threshold that requires disclosure under local law.

The chart below displays independent spending made per election for supervisorial candidates from 2002 to the present. The data is based on FPPC Form 465 filings of independent expenditures.

Chart 2: Trends in Independent Spending



It should be noted that during the years 2002 to 2010, campaign finance laws changed from one election to the next, which makes it difficult to determine trends in independent spending. The graph shows a surge of independent spending in 2008 and 2010, compared to previous years. There are many factors that may have contributed to this increase. Such factors include: changes to the provisions of the public financing program; the injunction against contribution limits to committees making expenditures to support or oppose local candidates;⁴ more open seats in the November 2008 and 2010 elections than in the previous elections; and the greater availability of public funds that may have stimulated a more competitive race.

V. Public Financing at a Glance

It is difficult to identify the effects of the public financing program on the outcome of the elections. Although public financing has now been implemented in the 2002, 2004, 2006, 2008 and 2010 elections, there are many variables relating to these elections. In 2002, elections took place in districts where only two-year terms had elapsed. In 2004, ranked choice voting was implemented, which caused many prior constants to change, i.e., there were no more run-off elections. In 2002, 2006 and 2010 the even-numbered districts were voted on whereas seats in the odd-numbered districts were voted on in 2004 and 2008. Significant provisions of the public financing program changed over the years. The threshold for qualifying for public financing and the deadline for applying for public financing were changed after the 2002 public financing cycle. The maximum amount of public funds that participants could seek was significantly higher in 2010 and 2008 (it was \$89,000 in 2010 and \$87,500 in 2008) than the maximum amount available in prior years (the amount available in prior years was \$43,750). In addition, the 2008 and 2010 public financing programs had a provision whereby candidates could receive greater than the maximum amount if the Commission determined the Per Candidate Available Disbursement Limit to be greater than the initial disbursement threshold. In 2008 and 2010,

⁴ In November 2000, when the voters approved the public financing program by voting for Proposition O, they also approved a \$500 per contributor per year limit on contributions to committees (excluding candidates' own campaign committees) that make expenditures to support or oppose local candidates and an overall contribution limit of \$3,000 per contributor to all committees that make expenditures affecting local candidates. These sections (S.F. C&GC Code § 1.114(c)(1) and (c)(2)) are currently not being enforced due to a preliminary injunction issued on September 20, 2007.

participating candidates were required to abide by an individual expenditure ceiling, which did not exist in prior years. In 2008 and 2010, there were additional filing requirements on persons making third party expenditures. In conclusion, it is difficult to distinguish between the effects of these factors from the effects of the public financing program on the outcome of the elections.

However, based on the data provided in this report and reports of prior years, whenever an incumbent is involved in an election, the incumbent wins regardless of whether the incumbent is a participating candidate. Generally in races where no incumbent is involved, a participating candidate wins. The record shows an increase in the overall amount of public funds disbursed between 2002 and 2010. The record also shows an increase in the percentage of candidates who are publicly financed. This data seems to indicate a trend towards greater acceptance of public financing of candidates in elections. The table below provides summary data of the 2010 election as well as data from prior elections.

Table 5: Summary Data from the 2010 and Past Elections

Election Year	2002	2004	2006	2008	2010
Amount of Public Funds Disbursed	\$281,989	\$757,678	\$216,784	\$1,315,470	\$1,477,713
Average Amount Disbursed in General Election	\$31,332	\$32,943	\$36,131	\$69,235	\$67,169
Number of Seats up for Election	5	7	5	7	5
Number of Contested Seats	4	7	5	7	4
Percentage of Candidates who were Publicly Financed	32%	35%	23%	45%	48%
Percentage of Elected Candidates who were Publicly Financed	60%	43%	20%	71%	60 %
Percentage of Incumbents Re-Elected	100%	100%	100%	100%	100%
Total Amount of Candidate Spending	\$2,213,316	\$3,654,616	\$1,781,148	\$3,875,551	\$3,581,175
Amount of Independent Spending (Form 465)	\$261,906	\$251,201	\$543,063	\$1,309,097	\$1,201,294

APPENDIX: Overview of San Francisco's Limited Public Financing Program

A. Introduction

Under current law, San Francisco's limited public financing program for candidates running for the Board of Supervisors provides eligible candidates up to \$89,000 in the general election (or up to the amount of the Per Candidate Available Disbursement Limit if the Per Candidate Available Disbursement Limit is greater than \$89,000). The total annual cost of the public financing program, including program administration, cannot exceed \$2.75 per year per resident of San Francisco.

B. Criteria and Conditions for Qualifying for Public Financing

In order to qualify for public financing, a candidate for the November 2010 election was required to:

- seek election to the office of the Board of Supervisors and be eligible to hold office if elected;
- file *Form SFEC-142(a) Statement of Participation or Non-Participation* with the Ethics Commission indicating that he/she intends to participate in the Board of Supervisors Public Financing Program;
- raise at least \$5,000 in qualifying contributions from at least 75 residents of the City in contribution amounts ranging from \$10 to \$100;
- agree to limit spending on his or her campaign to no more than his/her individual expenditure ceiling of \$143,000 or as raised by the Ethics Commission;
- submit a declaration (*Form SFEC-142(b)-1*), a qualifying contributions list (*Form SFEC-142(c)-1*), and supporting documentation to the Ethics Commission to establish eligibility to receive public financing;
- be opposed by a candidate who has qualified for public financing or by a candidate who has received contributions or made expenditures that in the aggregate equal or exceed \$5,000;
- bear the burden of proving that each contribution relied upon to establish eligibility is a qualifying contribution and that all contributions received comply with the Campaign Finance Reform Ordinance ("CFRO");
- bear the burden of proving that expenditures made with public funds were used only for qualified campaign expenditures;
- not make payments to a contractor or vendor in return for the contractor or vendor making a campaign contribution to the candidate; and not make more than a total of 50 payments to a contractor or vendor who has made a contribution to the candidate;
- not accept any loans to the campaign from anyone except the candidate, and not loan more than \$15,000 of the candidate's own money to his/her campaign;
- agree to participate in at least three debates with opponents;
- have paid any outstanding fines owed to the City by the candidate or any of the candidate's campaign committees;

- have filed any outstanding statements, reports or forms owed to the City by the candidate or any of the candidate's campaign committees; and
- have no finding by a court within the past five years that the candidate knowingly, willfully or intentionally violated the CFRO or the campaign finance provisions of the Political Reform Act.

Candidates were prohibited from using public funds to pay administrative, civil, or criminal fines, or to pay for inaugural activities or officeholder expenses. Under the law, all qualified candidates are subject to a mandatory audit.

C. Applying for Public Funds

In order to be certified by the Executive Director of the Ethics Commission as having met the requirements to receive public financing, candidates were required to submit, along with other items:

- 1) no later than August 6, 2010, the deadline for filing nomination papers, a *Statement of Participation or Non-Participation (Form SFEC-142(a))* indicating an intent to participate in the public financing program; and
- 2) beginning February 2 and no later than August 24, 2010, a *Declaration for Public Funds* along with a list of qualifying contributions (*Forms SFEC-142(b)-1 and SFEC-142(c)-1*) and other supporting material.

Candidates agreed to comply with all the eligibility requirements set forth above by signing and submitting the *Declaration for Public Funds*. On the accompanying list of qualifying contributions, candidates were required to include the contributor's full name, street address, occupation and employer if the contribution was \$100 or more; the total amount contributed; the amount of the contributor's qualifying contribution; the date the qualifying contribution was received; the date the qualifying contribution was deposited; and the deposit batch number. Supporting materials include photocopies of the written instruments used by the contributors to make the qualifying contributions, deposit receipts and other items such as evidence of San Francisco residency. Claims for additional public funds were required to be submitted in a similar manner.

D. Formula for Disbursing Public Funds

Candidates who were certified as eligible to participate in the public financing program received a grant of \$10,000. After the initial payment of \$10,000, candidates were able to seek additional public funds based on the amount of matching contributions raised and documented in timely claims submitted to the Ethics Commission.¹ The maximum amount of additional public funds that candidates were able to receive was \$79,000.² After the initial payment of \$10,000, for each dollar of matching contributions up to the

¹ A matching contribution is a contribution that is not a qualifying contribution or a loan, is made by an individual who is a resident of San Francisco (other than the candidate or the candidate's immediate family), is not received more than 18 months before the November election, and complies with all the requirements of the CFRO and its implementing regulations.

² The exact amount of funds available to each candidate may be less than or greater than \$89,000, depending on the Per Candidate Available Disbursement Limit. Please see Section E below.

next \$10,000 that candidates raised, they received four dollars from the Election Campaign Fund. Thereafter, for each additional dollar of matching contributions raised, candidates received one dollar of public funds until reaching the maximum. The maximum amount of public funds a candidate could have received until the per candidate available disbursement limit was determined was \$89,000, as shown in the table below:

Candidate raises	Election Campaign Fund pays
\$5,000 in qualifying contributions	\$10,000 (initial payment)
Up to \$10,000 in matching contributions	Up to \$40,000 (4 to 1 match)
Up to \$39,000 in matching contributions	Up to \$39,000 (1 to 1 match)
<i>Total available to a qualified candidate</i>	<i>Up to \$89,000</i>

E. Per Candidate Available Disbursement Limit

This is the amount of public funds available to each candidate who has qualified to receive public funding. On the 59th day before the election, the Executive Director of the Ethics Commission divides the total amount of non-administrative funds in the Election Campaign Fund by the total number of qualified candidates. The result is the Per Candidate Available Disbursement Limit.

If the per candidate available disbursement limit is less than or equal to \$89,000, candidates will have access to funds from the Election Campaign Fund on a first-come first-served basis up to a maximum of \$89,000. If the Per Candidate Available Disbursement Limit is greater than \$89,000, candidates will have access to the amount of the Per Candidate Available Disbursement Limit, but no candidate may receive public funds that would cause him or her to exceed his or her Individual Expenditure Ceiling. For the November 2, 2010 election, the Per Candidate Available Disbursement Limit was \$293,288.

F. Campaign Spending Limits

To receive public funds, candidates were required to agree to limit their spending to the amount of the individual expenditure ceiling, the expenditure ceiling that is established for each candidate for the Board of Supervisors who is certified by the Ethics Commission as eligible to receive public funds. Each candidate's individual expenditure ceiling starts at \$143,000 and may be raised under certain circumstances. The ceiling may be raised in \$10,000 increments if the highest level of Total Supportive Funds of a publicly financed candidate's opponents plus the Total Opposition Spending against such publicly financed candidate exceeds \$143,000 by at least \$10,000.

G. Additional Reporting Requirements for Participating and Non-Participating Candidates

All candidates for the Board of Supervisors were required to file *Form SFEC-152(a)-1* if they received contributions, or made expenditures that equaled or exceeded \$5,000. These statements serve to inform the Commission of candidates' financial activities so that the Commission could determine whether a candidate who had applied for public

financing met the requirement of being opposed by a candidate who either qualified to receive public financing or received contributions or made expenditures of \$5,000 or more. If the Ethics Commission certified at least one candidate for the Board of Supervisors as eligible to receive public funds in a district, all candidates for the Board of Supervisors seeking office in the same district were required to file *SFEC-152(a)-2* within 24 hours of receiving contributions or making expenditures that equaled or exceeded \$100,000. Thereafter, such candidates were required to file *Form SFEC152(a)-2* within 24 hours of each time that they received additional contributions or made additional expenditures that equaled or exceeded \$10,000.

H. Additional Reporting Requirements for Third party Spending

In a district where the Ethics Commission had certified at least one candidate as eligible to receive public funds, any person who made \$5,000 or more in independent expenditures, electioneering communications, or member communications that clearly identified any candidate for the Board of Supervisors, was required to file a statement within 24 hours of reaching or exceeding the threshold. These statements served to inform the Ethics Commission of Total Supportive Funds and Total Opposition Spending relating to candidates so that the Commission could determine whether the individual expenditure ceiling of any candidate should be adjusted.